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MEMORANDUM FOR THE RECORD

10 July 1947

SUBJECT: Applicability of Federal Tort Claims Act, Public Law 601, 79th Congress

In commection with the claim presented by Mr. H. W. DeHaven concerning an injury to his private vehicle as a result of a CIG truck running into the front of his car on 22 May 1947, a review has been made of the applicable provisions of the Federal Tort Claims Act and Decisions of the Comptroller General of the U. S. for the purpose of ascertaining the procedure which must be followed in order to effect proper settlement of the claim.

The settlement of claims of \$1,000 or less involving damage to privately owned property where negligence of an officer or an employee while performing official duty is involved, may be effected by the head of the establishment or department concerned, provided appropriations have been made specifically for this purpose. The Federal Tort Claims Act authorises the making of appropriations, but the Comptroller General has held that in such cases it is subsequently necessary in each fiscal year appropriation act to have specific provisions made therefor.

The provisions of the pertinent portion of Public Law 515, 79th Congress, from which the 1947-48 funds available to CIG were obtained, makes provisions for the payment of claims of the nature herein discussed, based on the authorizations contained in Public Law 112, as amended, approved July 3, 1943 by the 78th Congress (223b U.S.C. Title 31).

Section 424m of the Federal Tort Claims Act of 1946 repeals a number of statutes which previously authorized the heads of departments to settle claims for less than \$1,000 where negligence of officers and employees was evident and during the course of performing official duties. A situation somewhat similar to the instant case was covered by the Comptroller General of the U.S. in his Decision to the Postmaster General on August 29, 1946 (26 Comp. Gen. 149). The applicability of Public Law 601, 79th Congress, was further clarified by the Comptroller General in his Decision to the Secretary of State on January 5, 1947 (26 Comp. Gen. 455).

In view of these Decisions and since funds were originally made available in the provision of the War Department appropriation language from which CIG obtained its monies (although the basic authorizing statute was repealed by the Federal Tort Claims Act of 1946), it appears that funds are currently available for payment to Mr. DeHaven for his claim for damages, provided the claim vis athering properly submitted and STAT

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supported. In this connection it is to be noted that the procedure sublined in General Accounting Office Regulation No. 110 must be reviewed and applied.

It should be noted that in order to permit the Director of CIG to utilize the provisions of Public Law 601, it will hereafter be necessary to ascertain that the language covering the appropriation of funds to be made available for each fiscal year, have included therein specific provisions for the payment of claims in accordance with the Federal Tort Claims Act of 1946.

Assistant Chief, Pinance Division STAT

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